

# **POST-NEWSWEEK** **CABLE**

4742 North 24th Street, Suite 270  
Phoenix, Arizona 85016  
(602) 468-1177 FAX (602) 468-9216

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

April 5, 1996

Gerry Cunningham  
Lorilei Communications, Inc.  
P.O. Box 309  
Citra, FL 32113

Dear Mr. Cunningham:

This is in response to your letter, dated March 27, 1996, which raised seven questions regarding the leased access rates and availability for our system in Idabel, Oklahoma. Our response to your questions follows:

1. Our system reserves the right to require that tapes be in house 14 days prior to air in order to fully review the tapes to ensure that they contain no indecent or obscene material, that they do not contain any libelous or slanderous material and that they do not infringe any literary or intellectual property rights of any person or entity.

2. The insurance policy is required to protect the system and its parent company in case the lessee of the leased access time does air material which is obscene or indecent, which would be in violation of the FCC's rules, or is libelous or slanderous or infringes the literary or intellectual property rights of any person or entity. Our attorneys have advised us that any claim brought against the leased access lessee would surely be brought against the cable operator as well. This includes the literary and intellectual property claims as well as those alleging violations of the FCC's rules. We believe the amount of insurance required is reasonable given the size of our parent company. In addition, the FCC has never stated that such an insurance requirement was not permitted.

3. You are correct. The recent FCC ruling (FCC 96-122, released April 1, 1996) does require that cable systems makes increments of time as small as one-half hour available to potential leased access users. Consequently, please divide our hourly rate by two to determine what our half-hour rate would be.

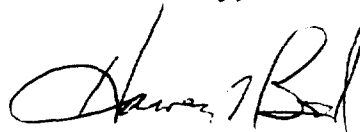
4. The charge for review takes into account the personnel, overhead and facilities costs incurred in reviewing the tape. The reasonableness of such a charge is discussed in our answer to question number 5. Should we ultimately decide that review was unnecessary, as discussed in our answer to question number 1, this charge would not be assessed.

5. The FCC has held that charging as much as \$50 per tape for playback was not unreasonable. See In the Matter of Tony Chauncey (DA 95-1353, Released June 19, 1995). The Commission stated that "the rules are clear that a reasonable charge may be levied for technical support which would include the playback of tapes. Depending on the personnel involved and the nature of the facilities in question a \$50 charge might well be reasonable for the playing of a single tape in isolation." Our \$21.24 charge simply takes into account the cost of overhead, personnel and dedicated facilities needed to playback the tape. Our system currently does not employ someone who does nothing but VCR playback, consequently we would have to hire someone to perform this task.

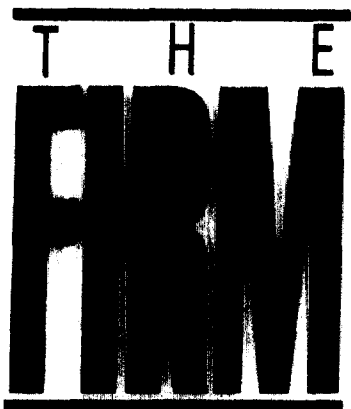
6. Given the fact that "The Firm" would agree to pre-pay its leased access fees, we would not impose the billing and collection fee.

7. and 8. This system currently has 36 channels and will make as many as four channels available for leased access in accordance with the FCC's rules. Currently, there is no leased access programming on this system and the FCC does not require that we designate which channel will be used for leased access programming in responding to inquiries. Should The Firm agree to purchase time on this system, we would certainly designate channels, depending on which tier the time is purchased.

Sincerely,

A handwritten signature in dark ink, appearing to read "Harvey T. Boyd", written in a cursive style.

Harvey T. Boyd  
Vice President



*A Lorick Communications Inc. Company*

## **MEMO**

4/22/96

Mr. Harvey T. Boyd, V.P.  
Post-Newsweek Cable  
4742 N. 24th St. Suite 270  
Phoenix, AZ 85016  
Via fax and U.S. Mail

Dear Mr. Basinger,

We are in receipt of your response dated 4/5/96 to our letter seeking to clarify certain points regarding how leased access is handled on your system serving Idabel, Oklahoma. While we appreciate your response to our questions, we still have some problems with several points which we would like to address at this time.

1. Requiring tapes to be in house 14 days prior to air is not a practical policy and is anti-competitive. While the system certainly has the right to review tapes, it doesn't take 14 days to do so. The lag time created by this policy dates the programming material to the extent of being useless, and we feel the policy is anti-competitive due to the fact that the operator could place programming on the system with a shorter lead time than we could as an unaffiliated programmer. Therefore, this policy blocks effective leased access to the system and is a violation of 76.970 of the rules. As a compromise we would suggest that this time period be shortened to 24 hours prior to air, which we feel is reasonable, and is the standard with most of the cable systems on which we currently place programming.

**P.O. Box 308 Citra, FL 32113 (352) 595-3000 Fax (352) 595-3008**

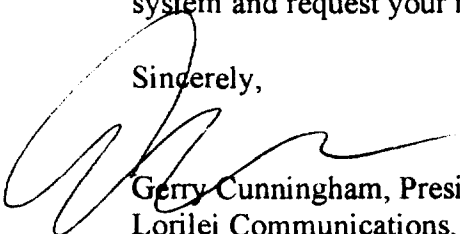
2. While we understand that Post-Newsweek seeks to protect itself from litigation, THE FIRM does not produce any programming which in any way could be labeled "obscene or indecent" and in our history we have never encountered any problems of a legal nature in connection with the content of our programming. Further, there is no basis in any of the FCC rules regarding leased access which allow operators to mandate such an insurance policy, and it is our opinion that the requirement of such a policy is in violation of 76.970 of the Commission's rules. According to your letter, Post-Newsweek is gauging the face amount of the policy in relationship to the "size of the parent company". We assume by "size" you are referring to the assets of the company. If this is an important factor your company utilizes in determining exposure, consider that TCI, Time Warner, Continental, and Cox all air leased access programming produced by THE FIRM with no insurance policy whatsoever. We ask that the insurance requirement be waived for part-time leased access on the system.

3. The Commission's rules on leased access state that operators may be reimbursed by unaffiliated programmers for the actual costs involved in providing the minimum level of technical assistance necessary for leased access programming to air. Usually, this means some sort of charge involving tape playback. Whether or not an operator decides to review programming is an internal policy decision which is beyond the control of a unaffiliated programmer and is not covered in the rules. Whether or not this process actually takes place cannot be proven by the operator, therefore tape review would not meet the FCC's acid test of "actual charges".

4. Concerning the \$21.24 charge for technical support, it doesn't take a great deal of technical expertise to playback a video tape. Setting an arbitrary amount for each of the Post-Newsweek systems, as it appears to us is the company policy, is contrary to the FCC's concept of "actual charges" and is therefore a violation of 76.970 of the Commission's rules. While we do not have a problem reimbursing an operator for the actual labor involved in playing our tapes on the system, our experience in working with many other cable systems on a leased access basis indicates that this charge is unusual and excessive, and we ask that a reasonable amount be set which will compensate the system for its actual costs.

We desire to go forward toward gaining leased access to the Idabel, Oklahoma system and request your response on these issues within seven business days.

Sincerely,



Gerry Cunningham, President  
Lorilei Communications, Inc. dba THE FIRM

10. Indemnification. Lessee expressly agrees to indemnify, protect and save Lessor harmless from and against any and all liability, loss, cost, damage or expense, including attorney's fees and expenses, resulting from any breach or alleged breach of any of Lessee's covenants, representations, warranties, or agreements hereunder or from Lessee's use of the Channel, including but not limited to claims for damage to Lessor's property or equipment, claims for libel, slander, defamation, or the violation or infringement of any laws, regulations, copyright, patent, rights of privacy or publicity, literary, property or other rights or for unauthorized use of any trademark, trade name or service mark arising from the material contained in the Programming and/or Lessee's use of the Channel and all other claims at law or equity arising out of any act or omission whatsoever of Lessee in connection with the activities contemplated by the Agreement, and all consequential and incidental damages arising out of or relating to any of the foregoing. Lessee will give Lessor prompt notice of any such claims. Lessee further agrees to complete, execute, and provide to Lessor the certification and indemnity regarding indecent or obscene programming attached hereto as Exhibit C contemporaneously, with its execution and delivery of this Agreement and prior to any use of the Channel.

11. Insurance. Lessee agrees to carry broadcaster's liability insurance coverage, written on a per occurrence basis, during the Term of this Agreement in an amount of not less than Five Million Dollars (\$5,000,000.00) per occurrence with a carrier with a A.M. Best rating of at least A-, X, licensed to do business in the State of Oklahoma and acceptable to Lessor sufficient to indemnify Lessor and Lessee against any and all claims which might result from its utilization of Lessor's facilities for the cablecasting of the Programming and

to provide Lessor with evidence of such insurance in the form of a certificate of insurance upon the effective date of this Agreement and upon renewal of coverage. Such certificate of insurance shall name Lessor as an additional insured and provide that such policy shall not be terminated except upon sixty (60) days' prior written notice to Lessor.

12. Legal Obligations. This Agreement is subject to the terms and conditions of all authorizations, licenses and franchises held by Lessor, and by applicable present and future Federal, state and local laws, rules and regulations, including decisions and orders of the FCC and rules promulgated by Lessor for the operation of the Channel, and shall be governed and construed in accordance with the laws of the State in which the System is located.

13. Force Majeure. Lessor shall not be liable for a failure to cablecast any Programming nor for failure to otherwise meet material obligations under this Agreement previously contracted for by reason of any act of God, labor disputes, mechanical breakdown of facilities, fire, flood, legal enactment, governmental order or regulation as aforesaid or any other cause beyond Lessor's control. While it is the intent of Lessor to operate the System in compliance with the FCC's technical standards, it is expressly understood that Lessor is not responsible to Lessee for signal quality or outages for whatever duration or reason.

14. Notices. All notices and other communications shall be in writing and shall be sent by prepaid certified or registered mail, return receipt requested to the following persons:

## BROADBAND EXTRA

## Filling Remnant Space

Access Television finds an infomercial way to ~~MYSTIC~~ channel space

BY JIM BARTHOLD

**T**ime is money, and nowhere is that more true than in a cable system's use of channel space.

That said, a California firm, Access Television Network Inc. (ATN), is using a mix of high technology and common sense to make sure that cable operators generate every possible cent they can from their channels by paying operators to place infomercials in remnant channel space.

"Typically, they [cable operators] think they have no channel capacity, they have no time," says ATN president Bill Bernard. "We really dig into their lineups and find time that they didn't even know they had, then provide all the equipment and necessary technology to utilize that time and generate as much revenue as we can for them."

Bernard says ATN uses General Instrument Corp.'s DigiCipher I digital compression to store the infomercial programming and will be one of the first networks to move to DigiCipher II later this year. He adds that the company is currently sending in-

**ATN says it gives the cable operator all the technology needed to receive and play the infomercials.**

fomercials to about 16 million households, and, in most of its affiliates is providing at least two channels of programming.

"Using the compression technology, we don't have to get into a lot of store-and-forward stuff at cable headends, nor do we have to bicycle tapes," he says. "By installing addressable switchers, we're able to on-the-fly switch into blocks of programming."

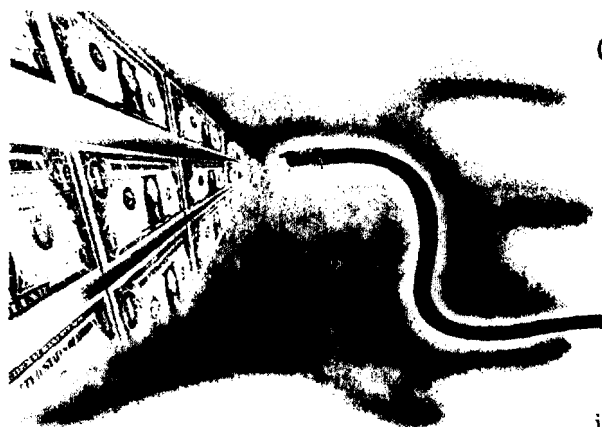
Bernard says ATN gives the cable operator all the technology needed to

receive and play the infomercials, in times when channels would otherwise be under-used.

"That's the beauty of it," he notes. "The systems don't have to designate any fixed amount of time. We have affiliates that are giving us as little as three hours a day and affiliates that are giving us as much as 48 hours a day."

"It's not really empty space; it's more like under-utilized. They have a crawl on there or something."

Typically, ATN uses channels that might be blacked out due to network



duplication in prime time, Bernard says, noting that "three hours of prime time obviously is very valuable."

Every three-hour daily block of time has a relative value from 2 cents to 20 cents a block. There's a minimum guarantee of \$1.44 per year per basic subscriber for those three hours of programming, says Jeri Amstutz, the VP-sales/marketing at ATN.

What's more, the company also gives affiliates the choice between the minimum guarantee or 65% of the commission paid by the infomercial provider — whichever is greater.

### Larger systems

Although Bernard says the company focuses on larger cable systems with higher viewership potential, it doesn't ignore the small operator.

"I think our smallest affiliate is giving us a 24-hour channel and about 4,000 cable homes in their system," he says. "For a system like that, with

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EGG MAIL ROOM

the \$1.44 per subscriber per year is maybe not a lot of revenue, but typically, they're not getting any kind of advertising sales revenue at all.

"This is a way for them to break into

### Every three-hour daily

block of time has a

relative value of from 2

cents to 20 cents a block.

that whole category of non-subscriber revenue."

Bernard calls his company "one of the best-kept secrets in the cable industry," noting that it's different from other infomercial providers because it doesn't stick to a pre-determined schedule of infomercials.

"We don't really feel that the infomercial channel is destination viewing where people are going to come home and say, 'Gosh, I want to turn to that infomercial channel,'" he says. "And we don't think it looks good for the cable system to have what amounts to maybe a third shopping channel."

"Taking bits and pieces of time on a variety of channels and having the capabilities of addressing that on the fly, I think, benefits all the way around."

However, Chuck Price, the VP-GM of the Product Information Network (PIN), which supplies an around-the-clock infomercial channel, disagrees.

"Our network is different because we sell major blocks of time to companies like National Media and National Consumer Resource Network," he says. "From an added-value programming perspective to an operator, there's a lot of value there."

Price, whose network lists about 7 million subscribers, says he's convinced that only a dedicated channel of infomercials will drive the business and

See Space on page 116

## BROADBAND EXTRA

## Access Television Network Filling Remnant Space

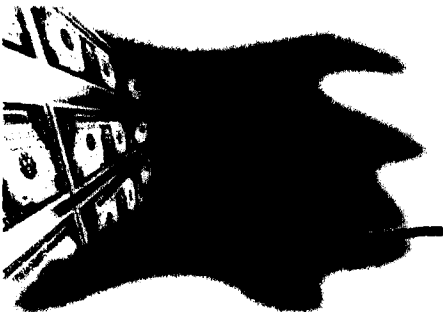
Space from page 114

profit cable operators.

"If you're going to support this medium, you're going to have to deliver a dedicated time line to attract the Fortune 500 companies into the medium," he notes.

He adds that advertisers have made it clear that they see long-form advertising as an opportunity — but not at 2 a.m. "If we're going to build an infrastructure, we have to build it in a way that attracts major corporations," he says.

According to Bernard, ATN has at-



tracted infomercial providers on the high end of what some may consider a disagreeable programming group.

"Our clients are the cream of the infomercial guys," he says. "Some of the high-profile shows run from Apple Computer, Microsoft, Lexus, Mattel Toy Co."

### Evolving

Noting that the business is still evolving, Bernard predicts that like short-form advertising, the company's business will take off when it reaches about 25 million homes.

At that point, the investment in digital technology will begin to pay off, as well.


"As we go through the Fortune 500 advertisers in earnest, we will be able to specifically target individual cable systems [using DigiCipher II]," Bernard says. "We could go to Mercedes Benz and say that we will deliver a half-hour show for you at 6 o'clock at night in the 5 million homes that have the wealthiest demographics in the U.S."

"Likewise, a new rock 'n' roll band may have a show that's only promoted in college towns."

Bernard says ATN must evolve to DigiCipher II so it can compress six programs on a single transponder. With DigiCipher I, ATN has only four channels of programming available at any time.

"DigiCipher I right now, at 6:1, is not providing the kind of broadcast

quality that we would expect," he says. "DigiCipher II, even though it costs more, at 6:1 compression will provide the broadcast quality that we're currently delivering."

"We need that kind of capacity to take advantage of those targeting opportunities." 

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## ACCESS TELEVISION SUBSCRIBERS (Effective April 1, 1996)

City	Subscribers	City	Subscribers
Akron, OH	167,720	Lafayette, IN	35,598
Alhambra, CA	109,867	Lake Charles, LA	26,600
Anchorage, AK	49,462	Lanham, MD	77,650
Anderson, IN	24,828	Las Vegas, NV	220,000
Arlington, TX	60,000	Lexington, KY	76,066
Asheville, NC	41,963	Lilburn, GA	101,000
Atlanta, GA	253,000	Lincoln, RI	100,108
Bakersfield, CA	64,000	Long Beach, CA	57,073
Baltimore, MD	105,000	Louetta, TX	30,210
Baton Rouge, LA	98,553	Louisville, KY	200,000
Battlecreek, MI	25,000	Malden, MA	122,000
Birmingham, AL	76,804	Manatee, FL	63,000
Boise, ID	54,090	Martinez, CA	80,673
Bossier City, LA	24,000	Medford, OR	34,888
Boston, MA	110,000	Meriden, CT	39,400
Brookhaven, NY	65,219	Miami, FL	130,000
Broward County, FL	39,157	Milwaukee, WI	110,000
Buffalo, NY	85,000	Monmouth, NJ	111,000
Cape Cod, MA	50,000	Monterey, CA	66,748
Cape Coral, FL	26,979	Montgomery, AL	62,000
Carlsbad, CA	51,066	Morono Valley/Parris, CA	35,000
Carmel, NY	28,000	Mt. Prospect, IL	170,200
Charlottesville, VA	18,500	Muskogean, MI	39,000
Chicago, IL	270,900	N. Branford, CT	59,000
Chicago, IL	122,000	Nashua, NH	25,059
Cincinnati, OH	166,620	New York, NY	1,100,000
Clearwater, FL	145,516	Newport Richey, FL	66,432
Clinton, IA	20,000	Newton, MA	362,062
Columbia, MO	3,900	Newark, NJ	48,000
Columbia, SC	96,549	Oakland, NJ	200,356
Columbus, OH	140,000	Ocean City, MD	32,430
Columbus, OH	77,951	Orange County, CA	98,532
Concord, CA	41,263	Orange County, NY	57,233
Corvallis, OR	29,500	Orlando, FL	199,000
Cumberland, MD	24,500	Pacific, CA	34,475
Dallas/Garland	182,000	Palm Springs, CA	32,301
Dayton, OH	171,000	Parkersburg, WV	37,500
Daytona, FL	42,000	Peoria, IL	60,000
Decatur, IL	35,055	Philadelphia, PA	59,883
Deland, FL	32,205	Piscataway, NJ	155,000
Denver, CO	362,000	Pittsburgh, PA	290,500
Desert Hot Springs	8,031	Plano, TX	61,700
Des Moines, IA	93,000	Portland, ME	58,000
Dubuque, IA	23,000	Portland, OR	118,598
Duluth, GA	48,000	Portland, OR	65,949
Dunedin, FL	27,348	Racine, WI	38,000
E. San Fernando, CA	84,000	Rodlands, CA	46,000
Erie, PA	30,000	Reno, NV	59,000
Eugene, OR	54,216	Richmond, VA	135,000
Evansville, IN	45,000	Riverside, CA	48,000
Fresno, CA	103,772	Rochester, MN	35,500
Ft. Smith, AR	33,000	Rochester, NY	199,000
Ft. Worth, TX	117,000	Rockland, NY	60,000
Gardendale, AL	50,000	Royal Oak, MI	72,167
Grand Rapids, MI	113,136	Salem, OR	46,000
Greensburg, PA	50,000	Salt Lake City, UT	82,000
Greensboro, NC	31,450	San Antonio, TX	260,562
Greenfield, WI	44,500	San Diego, CA	302,000
Greenville, SC	56,564	San Diego, CA	175,000
Hayward/Fremont, CA	86,017	San Diego, CA	164,000
Hillsborough, FL	122,000	San Jose, CA	210,356
Hoover, AL	34,000	San Mateo, CA	51,851
Houston, TX	175,892	Santa Cruz, CA	49,708
Houston/Pasadena, TX	36,230	Scottsdale, AZ	55,653
Jamestown, NY	23,100	Seattle, WA	202,310
Kankakee, IL	24,000	Shreveport, LA	60,000
Kansas City, MO	160,000	Somerville, NJ	72,000
Key West, FL	35,000	Spartanburg, NC	35,112
LA County, CA	29,700	Springfield, IL	51,800
		Springfield, MA	50,000
		Springfield, MO	50,650
		St. Charles, MO	42,000
		St. Cloud, MN	28,500

St. Louis, MO	57,000
St. Petersburg, FL	116,604
Stockton/Manteca, CA	68,000
Topeka, KS	43,000
Torrance, CA	67,027
Tucson, AZ	74,902
Vacaville, CA	21,100
Vero Beach, FL	55,000
Warren, OH	41,000
Warwick, NJ	19,000
Washington, DC	90,000
Waterloo, IA	30,000
Wausau, WI	92,500
Western Mass.	47,716
Wheeling, WV	24,000
White Bear, MN	120,000
Wilmington, DE	133,996
Wildwood, NJ	30,000
Woodhaven, MI	27,000

Albany, NY	116,500
Eden Prairie, MN	125,082
Hartford, CT	126,300
Jacksonville, FL	200,000
Madison, WI	78,500
Melbourne, FL	140,000
Memphis, TN	167,000
Phoenix, AZ	302,389
South Bend, IN	94,156
West Valley, CA	101,111

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500 North Third St  
Suite 211  
Fairfield  
Iowa 52558  
(515) 472-6700  
fax (515) 472-7736

## Access Television Network

Access Television Network, is a national, satellite fed infomercial network, currently airing in almost fifteen million cable television homes. Access TV maintains contracts for airtime directly with the major cable MSO's (including TCI, Time Warner, Continental, and many others). These cable operators provide Access TV with blocks of airtime on variety of channels at the local cable system level (both cable network and broadcast station downtime, local origination, leased access and other various channels).

By efficiently organizing this time and providing "one stop shopping" for long form advertisers, Access eliminates the burden of trying to deal directly with as many as 160 individual cable systems. Not only has Access Television's subscriber base grown significantly (500,000 to 1,000,000 homes per month) but the quality of time has increased also with many systems now providing 24 hour carriage. This growth is expected to increase throughout 1996.

Access TV feeds its signals via two digitally compressed satellite channels. Channel 1 is delivered 24-hours per day, while Channel 2 is currently delivered between 12 AM and 12 PM EST. (See attached Subscriber sheet for the number of homes receiving these signals during various dayparts).

Infomercials are typically booked for one-week or one-month periods, with shows rotated equally through all channels and dayparts each month. This allows advertisers the ease of tracking their responses against the months total rotation as if it were one telecast. Clients receive approximately 14 runs per week on channel 1 and 7 runs per week on channel 2.

For more information call David Chaladoff at (515)-472-6700.

## David Chaladoff Media, Inc.

### FAX MEMO

6 PAGES Total

500 North Third Street, Suite 211

Fairfield, IA 52556

Tel: (515) 472-6700

Fax: (515) 472-7736

TO: Jerry Cunningham  
FROM: David Chaladoff  
DATE: April 19, 1996

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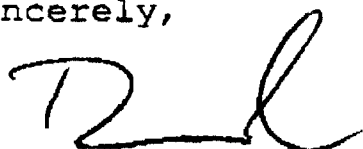
Dear Jerry,

Per our conversation today, attached is information about the network, May 1996 Rate card, subscriber counts, and other details about Access TV.

Our current advertisers include infomercials from Guthy-Renker, Western Direct Response, Juiceman, Positive Response, Mega Systems, Time Life Music/Video, Apple Computer, The Media Group, New Day Marketing, American Harvest, National Media and others.

Jerry, if you have any questions or need more information, don't hesitate to call me at 515-472-6700.

Sincerely,



David Chaladoff  
Ad Sales  
Access TV Network

**Access Television Network Subscriber Growth  
November 1995-April 1996**

**EFFECTIVE APRIL 1, 1996**

**Satellite Channel 1 Average Subscribers by Daypart (000's)**

	12a-3a	3a-6a	6a-9a	9a-12p	12p-3p	3p-6p	6p-9p	9p-12a
November	2,719	12,617	11,917	2,202	1,411	1,146	577	501
Subs	357	906	766	94	198	153	70	70
% Change	15%	8%	7%	4%	16%	15%	14%	16%
December	2,753	12,844	12,349	2,471	1,536	1,476	913	578
Subs	34	227	432	269	125	330	336	77
% Change	1%	2%	4%	12%	9%	29%	58%	15%
January	2,799	13,070	12,529	2,635	1,755	1,539	1,038	712
Subs	46	226	180	164	219	63	125	134
% Change	2%	2%	1%	7%	14%	4%	14%	23%
February	3,001	13,848	13,383	2,997	1,762	1,678	1,042	846
Subs	202	778	854	362	7	139	4	134
% Change	7%	6%	7%	14%	0%	9%	0%	19%
March	3,393	14,135	13,655	3,232	2,133	1,887	1,310	1,213
Subs	392	287	272	235	371	209	268	367
% Change	12%	3%	2%	7%	8%	12%	21%	31%

**Satellite Channel 2 Average Households by Daypart (000's)**

	12a-3a	3a-6a	6a-9a	9a-12p	12p-3p	3p-6p	6p-9p	9p-12a
November	102	5,229	6,226	1,344	-	-	-	-
Subs	(127)	331	347	66	-	-	-	-
% Change	-55%	7%	6%	5%	-	-	-	-
December	145	5,328	6,318	1,344	-	-	-	-
Subs	43	99	92	-	-	-	-	-
% Change	42%	2%	1%	0%	-	-	-	-
January	362	5,498	6,238	1,360	-	-	-	-
Subs	217	170	(80)	16	-	-	-	-
% Change	150%	3%	-1%	1%	-	-	-	-
February	512	5,929	6,522	1,194	-	-	-	-
Subs	150	431	284	(166)	-	-	-	-
% Change	41%	8%	5%	-12%	-	-	-	-
March	529	6,263	6,637	1,222	-	-	-	-
Subs	17	334	115	28	-	-	-	-
% Change	4%	6%	2%	3%	-	-	-	-

pg 6 of 6

## David Chaladoff Media, Inc.

500 North Third Street, Suite 211

Fairfield, IA 52556

Tel: (515) 472-6700

Fax: (515) 472-7736

### Access TV Dubs and Payment Instructions

#### Access TV Dubs

Please send 3 BETA SP's, small cassette size tapes (with national cable 800 number) of your show to:

Attention: Tape Traffic  
Access Television  
2062 business Center Drive  
Suite 230  
Irvine, CA 92715  
Phone: (714) 442-6170

#### Access TV Payments

Make checks payable and send to:

"Access Television"  
Attention: Tim Tyler  
2062 Business Center Drive  
Suite 230  
Irvine, CA 92715  
Phone: (714) 442-6170

## David Chaladoff Media, Inc.

500 North Third Street, Suite 211

Fairfield, LA 52556

Tel: (515) 472-6700

Fax: (515) 472-7736

### Fax Memo

---

To: Jerry Cunningham  
From: David Chaladoff  
Date: April 10, 1996

---

### ACCESS TV MAY 1996 AVAILS

MAY DATES: APRIL 29-MAY 27

4 WEEKS TOTAL

#### ROTATIONS

Month Rate: \$49,200.00 Gross

One Week Rate: \$12,300.00 Gross

Please let me know how I can be of assistance to you.

Thanks and regards,

David

#### ROTATIONS

CHANNEL 1: APPROXIMATELY 14X PER WEEK

CHANNEL 2: APPROXIMATELY 7X PER WEEK

TOTAL ROTATIONS: APPROXIMATELY 21X PER WEEK, OR  
APPROXIMATELY 84X PER MONTH ACROSS ENTIRE SUBSCRIBER BASE  
(SEE ATTACHED). (MOST OF THE TAPE SYSTEM HAS BEEN CONVERTED  
TO SATELLITE.)

#### PLEASE NOTE:

1. PLEASE ENCLOSE TRAFFIC INSTRUCTIONS WITH BROADCAST TAPES  
SENT TO ACCESS TV.

2. ATTACHED CHART SHOWS ACCESS TV SUBSCRIBER GROWTH AND  
CURRENT SUBSCRIBERS.

# TWC

## Time Warner Cable

A Division of Time Warner Entertainment Company, LP

### LEASED ACCESS RATE CARD AND REQUIREMENTS

As of July 1994

Channel: TWC 16

Reach: Delivery to approximately 205,000 households in Orange, Osceola and Seminole counties. Cross channel promotion spots maybe purchased from the Advertising Sales Department. 407-290-1030 (Advertising)

Lease Requirements:

- Leased Access time to be purchased 3 weeks in advance of air date. All persons seeking time are required to file an Application for Commercial Use (obtained from LO Manager). Upon acceptance of application and completion of Leased Access agreement, persons may then proceed with purchasing time.
- Fees and program are due seven business days in advance of air date. 3/4" video format. Payments are made in advance of all air dates.
- Programming acceptability will be determined by review of 1) Commercial Use Application 2) technical and/or production quality of program. Technical standards, see attached.
- Other requirements are addressed in Leased Access Agreement, available upon request.

Leased Access NET RATES:

<u>Program Length</u>	<u>60:00</u>	<u>30:00</u>
Day (9a-6p)	\$82	\$41
Prime (6p-12a)	\$450	\$225
Overnight (12a-9a)	\$60	\$30

**\*Additional operator fee of \$33 per half hour applied to all purchases during weekend hours and overnight.**

**\*All figures are NET (no commissions off the price)**

**\*Prices reflect rates for tape delivered programming. Additional fee applied for live or satellite downlink purchases. Rates available upon request from LO/Production Manager.**

- For more information contact Tammy Wiley, LO/Production Manager

## TCI CENTRAL FLORIDA

### Leased Access Rate For Home Shopping Programming

(Effective September 1, 1994)

Distribution area: Daytona Beach

#### Expanded Basic Service

Full channel rate per month	\$14,972
-----------------------------	----------

Full channel rate per week	\$3,455
----------------------------	---------

#### Rates per hour:

Monday - Friday - 6:00 a.m. to 8:00 a.m.	\$10.37
--	---------

Monday - Friday - 8:00 a.m. to 3:00 p.m.	\$21.72
--	---------

Monday - Friday - 3:00 p.m. to 7:00 p.m.	\$27.64
--	---------

Monday - Sunday - 7:00 p.m. to 10:00 p.m.	\$46.07
---	---------

Monday - Sunday - 10:00 p.m. to Midnight	\$24.68
--	---------

Monday - Sunday - Midnight to 6:00 a.m.	\$4.94
---	--------

Saturday/Sunday - 6:00 a.m. - Noon	\$17.28
------------------------------------	---------

Saturday/Sunday - Noon to 7:00 p.m.	\$22.21
-------------------------------------	---------

ADDITIONAL CHARGES WILL BE MADE FOR TECHNICAL SUPPORT  
OR BILLING SERVICES.

ALL LEASED ACCESS RATES ARE SUBJECT TO CHANGE.

NO CHANNEL WILL BE LEASED PRIOR TO THE EXECUTIVE OF AN  
AGREEMENT.



ATTACHMENT 1  
TCI Cablevision of Alabama, Inc.  
HOOVER, AL  
Expanded Basic

Premium Service

<u>Time Period</u>	<u>Hourly Rate</u>	<u>Weekly Rate</u>
M-F-6 am to 8 am	\$34.27	\$342.70
M-F-8 am to 3 pm	\$71.80	2,513.11
M-F-3 pm to 7 pm	\$91.39	1,827.71
M-Su-7 pm to 10 pm	\$152.31	3,198.50
M-Su-10 pm to midnight	\$81.59	1,142.32
M-S- midnight to 6 a.m.	\$16.32	685.39
Sa/Su-6 am to noon	\$57.12	685.39
Sa/Su- noon to 7 pm	\$73.43	1,028.09
		<u>11,423.21</u>

Home Shopping Services

<u>Time Period</u>	<u>Hourly Rate</u>	<u>Weekly Rate</u>
M-F-6 am to 8 am	\$9.58	\$95.76
M-F-8 am to 3 pm	\$20.06	702.23
M-F-3 pm to 7 pm	\$25.54	510.71
M-Su-7 pm to 10 pm	\$42.56	893.75
M-Su-10 pm to midnight	\$22.80	319.19
M-S- midnight to 6 a.m.	\$4.56	191.52
Sa/Su-6 am to noon	\$15.96	191.52
Sa/Su- noon to 7 pm	\$20.52	287.28
		<u>3,191.95</u>

All Other Programming

<u>Time Period</u>	<u>Hourly Rate</u>	<u>Weekly Rate</u>
M-F-6 am to 8 am	\$6.66	\$66.56
M-F-8 am to 3 pm	\$13.95	488.11
M-F-3 pm to 7 pm	\$17.75	354.99
M-Su-7 pm to 10 pm	\$29.58	621.23
M-Su-10 pm to midnight	\$15.85	221.87
M-S- midnight to 6 a.m.	\$3.17	133.12
Sa/Su-6 am to noon	\$11.09	133.12
Sa/Su- noon to 7 pm	\$14.26	199.68
		<u>2,218.67</u>

4/1/96  
11:24 AM

H0452A-Lease Access



# TCI of Alabama

A TCI MANAGED COMPANY

*We're taking television into tomorrow.*

5990 SOUTH MONTICELLO DRIVE  
P. O. BOX 240275  
MONTGOMERY, AL 36124-0275  
(205) 277-4455  
334

03/12/96

The Firm  
P.O. Box 309  
Citra, FL 32113

Dear Mr. Cunningham;

I am writing in response to your letter dated 2-7-96. Let me apologize for taking so long to get back to you, personal reasons kept me away from the office and my work, so needless to say, I've been very busy trying to catch up. Below is the information you requested, and I have attached a rate sheet.

Our system currently has 60 channels, but only one with program avails. Channel 3 is our Local Origination Channel, we have all kinds of programs, including religious, live call-in talk shows, sports, exercise, infomercials, cartoons, dating services and more.

We prefer 3/4" tape, but we can use VHS or BetaSP.

I have also attached a sheet of current avails, which is ever changing, so I can't guarantee how long these times will be available.

Please feel free to call me with any other questions.

Sincerely,

Sheryl Hamilton,  
Local Origination Access Coordinator



# TCI of Alabama

A TCI MANAGED COMPANY

*We're taking television into tomorrow.*

5990 SOUTH MONTICELLO DRIVE  
P. O. BOX 240275  
MONTGOMERY, AL 36124-0275  
(205) 277-4455

*Updated 3/12/96*

**TV-3**

***Air times available for 30:00 program:***

***Saturday;***

***11am, 11:30am, 12nn, 7:30pm***

***Sunday;***

***12:30pm, 1pm, 2:30pm, 5pm***

***Monday;***

***10am, 12nn, 1:30pm***

***Tuesday;***

***10am, 1:30pm, 8:30pm***

***Wednesday;***

***1:30pm, 8:30pm, 9pm, 9:30pm***

***Thursday;***

***10am, 12nn, 1:30pm, 9pm, 9:30pm***

***Friday;***

***12nn, 12:30pm, 8:30pm, 10pm***

***Rates for TV-3;***

***30 minute program.....\$100***

***60 minute program.....\$150***

***Sheryl Hamilton, 277-4455, FAX 260-8333.***

**Continental Cablevision of Jacksonville**

Mr. Gerry Cunningham  
The Firm  
P.O. Box 309  
Citra, Fla. 32113

10/31/95

Dear Mr. Cunningham,

Thanks for your interest in leasing air time on Continental's Jacksonville system. I'm providing the information you have requested, although we attempt to provide you with some flexibilities, which I'll explain below. Here are the basics to begin:

- |   |                   |
|---|-------------------|
| 1. Full-time leased access rate: (24 hours per day) | \$1,391,241.00    |
| Prime-time rate (30 minutes)                        | \$130.00          |
| Daytime rate (30 minutes)                           | \$80              |
| Overnight (30 minutes)                              | \$60              |
| 2. Channel position for leased access               | 25                |
| 3. Total subscribers served via leased access       | 200,000 (approx.) |
| 4. Total number of channels on system               | 53                |
| 5. Tape format:                                     | 3/4" videocasette |

On a practical basis, we treat a potential leased access provider essentially as we would an advertising client from a "flexibility" standpoint. In addition to providing channel space, we also insert commercials on some 21 networks. That is to say all of the above rates are negotiable depending on your needs. We've found the best way is simply to sit down and identify what those are and attempt to satisfy them on an individual basis.

Again, thanks for your interest, and please let me know how you would like to proceed from here.

Sincerely,

A handwritten signature in dark ink, appearing to read 'D. Reid'.

David Reid  
Director of Corporate Affairs.



**CHARTER**  
**COMMUNICATIONS**

*Make The Quality Connection*

RECEIVED

MAY 15 1996

FCC MAIL ROOM

May 2, 1996

Exhibit E

Mr. Gerry Cunningham, President  
THE FIRM  
P.O. Box 309  
Citra, Florida 32113

Re: Commercial Leased Access

Dear Mr. Cunningham:

Your letter references the FCC recent revisions to 47 C.F.R. §76.970 which were released on March 29, 1996, to become effective thirty days after publication in the Federal Register. However, those revisions were not so published until April 15, 1996. Therefore, the regulations cited in your correspondence are not yet effective. Further, the specific requirement for a seven-day response from the cable operator will not become effective until approval by OMB. Such approval most likely will not occur until on or after June 14, 1996.

Further, the revised rules called for changes in the method of calculation of the commercial leased access rate. Charter is in the process of revising its rate model based on the revisions to §76.970 and when the rules become effective we will respond appropriately to your request.

Please note that Craig L. Watson is not the general manager of the Alhambra cable system. That system is currently owned by Charter Communications Entertainment II, L.P. and the system manager is David Barford.

Sincerely,

Trudi M. Foushee  
Senior Counsel  
Law and Regulatory Affairs

TMF:smf

cc: John McFerron  
Joe Slavin  
Patty McCaskill



*A Lorlei Communications Inc. Company*

## **MEMO**

5/6/96

Ms Trudi M. Foushee, Senior Counsel  
Charter Communications  
12444 Powerscourt Drive, Suite 400  
St. Louis, MO 63131-3660  
Via fax and U.S. Mail

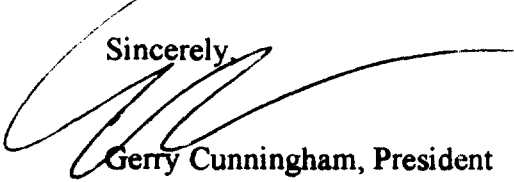
Dear Ms Foushee,

We are in receipt of your letter dated 5/2/96 in response to our request for leased access information on the Alhambra system.

Regardless of when the new rules take effect, the fact remains that you are now in violation of 76.970 under the old rules for refusing to provide the specific information we requested. We fail to see the problem with supplying us with this information as you should have already computed the rates and had them available, and you took the time to write a letter in response.

Your company is obligated to respond to requests for leased access information and we expect to receive this information via fax no later than 5/8/96 at close of business or we will take the appropriate action.

Sincerely,



Gerry Cunningham, President  
Lorlei Communications, Inc. dba THE FIRM

**P.O. Box 300 Citra, FL 32113 (352) 585-3000 Fax (352) 585-3008**



May 9, 1996

Mr. Gerry Cunningham, President  
THE FIRM  
P.O. Box 309  
Citra, Florida 32113

Re: Commercial Leased Access

Dear Mr. Cunningham:

Charter is not in violation of any provisions contained in 47 C.F.R. §76.970. There are no time limits contained in §76.970. Any time limits will become effective on and after OMB approval, which will not occur before June 14, 1996.

Let me reiterate that Charter has not and does not refuse to provide you the information. However, we have to determine the best use of our resources. Those resources are currently being used to develop the new rates which we will provide you upon the effective date of the new rules.

Sincerely,

Trudi M. Foushee  
Senior Counsel  
Law and Regulatory Affairs

TMF:smf

# TWC

Time Warner Cable

The Florida Division of Time Warner Entertainment-Advance/Newhouse Partnership

Exhibit F

## LEASED ACCESS RATE CARD AND REQUIREMENTS

February 1, 1996

RECEIVED

MAY 15 1996

FCC MAIL ROOM

**Channel:** Pre-empt Prevue Guide on TWC channel 40

**Reach:** Delivery to approximately 20,000 households in Volusia County. Cross channel promotion spots may be purchased from the TCI Advertising Sales Department at (904) 756-6700.

**Leased Requirements:** Leased Access time may be purchased 3 weeks in advance of air date. All persons seeking time are required to file an Application for Commercial Use. Upon acceptance of application and completion of Leased Access agreement, persons may then proceed with purchasing time.

Fees and program are due seven (7) business days in advance of air date on 3/4" video format. Payments are made in advance of all air dates.

Programming acceptability will be determined by review of 1) Commercial Use Application, 2) technical and/or production quality of program. Technical standards, see attached.

Pre and post programming disclaimer will be aired that disassociates the presentation's opinions and beliefs with that of Time Warner Cable.

Other requirements are addressed in Leased Access Agreement, available on request.

### Leased Access NET RATES:

<u>Program Length</u>	<u>60:00</u>	<u>30:00</u>
<u>Monday - Friday</u>		
Day (8a-6p)	\$ 9	\$ 4.50
Prime (6p-12a)	\$41	\$20.50
Overnight	\$ 6	\$ 3
<u>Saturday-Sunday</u>		
Day (12a-11a)	\$ 9	\$ 4.50
Prime (11a-12a)	\$22	\$11.50

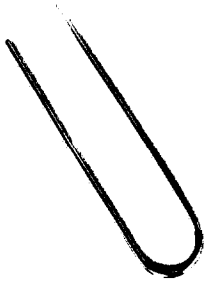
Additional operator fee of \$40 per hour will apply to all purchased time at the rate of a minimum of 1 hour plus the air time in addition to the Net Rate fee.

All figures are NET to TWC (no commissions off the price).

Prices reflect rates for tape delivered programming. Additional fee applied for live or satellite-downlink purchases.

Rates available on request from Director of Operations.





TIME WARNER CABLE

A TIME WARNER ENTERTAINMENT COMPANY, LP

February 07, 1996

Leigh Cunningham  
The Firm  
PO Box 309  
Citra, FL 32113

Dear Leigh:

The rates for Leased Access have been established for this year and I am sending you a new rate schedule.

We will honor your existing contract with Adams Cameron's *Open House* through March 31, 1996 as it stands.

We have enjoyed doing business with you and wish you continued success.

Sincerely,

Susan Heck  
Director of Operations

Encl.